

A RESOLUTION

Reduction in Annual Department of Education SHBP Employer Contribution for Remainder of Fiscal Year 2010

WHEREAS, the State Health Benefit Plan is comprised of three health insurance plans, each supported by its own fund: 1) a plan for State employees (O.C.G.A. § 45-18-2), 2) a plan for teachers (O.C.G.A. § 20-2-891), and 3) a plan for non-certificated public school employees (O.C.G.A. § 20-2-911); and

WHEREAS, pursuant to O.C.G.A. §§ 20-2-891(c), 20-2-918(b) and 45-18-12(b) the Commissioner of the Department of Community Health is permitted to combine the three funds supporting the three plans (together, the "State Health Benefit Plan" or "SHBP") in order to pay benefits due under any of the plans; and

WHEREAS, O.C.G.A. §§ 20-2-920 provides for the Board to establish the amount of employer contributions that must be paid by the Department of Education and local school systems to the health insurance fund for non-certificated public school employees; and

WHEREAS, SHBP Regulations § 111-4-1-.02 (1)(d) provides that all employer contribution rates must be approved by the Governor; and

WHEREAS, the original Appropriations Act for Fiscal Year 2010 set the maximum Department of Education Employer Contribution to the Public School Employee Health Insurance Fund in Fiscal Year 2010 at \$82,216,077.00; and


WHEREAS, due to decreases in appropriations in Fiscal Year 2010, the Department of Education contribution for Fiscal Year 2010 reduced the Department of Education Employer contribution to \$45,672,623.00 by Board resolution effective August 27, 2009; and


WHEREAS, the Amended Appropriations Act for Fiscal Year 2010 reduced the maximum annual Department of Education Employer Contribution to the Public School Employee Health Insurance Fund in Fiscal Year 2010 to \$22,836,311.00; and

WHEREAS, on a combined basis, the assets in the plans' funds are projected to be sufficient to pay for benefits due under the SHBP for the remainder of Fiscal Year 2010 with the reduced Department of Education annual contribution of \$22,836,311.00 for Fiscal Year 2010;

NOW, THEREFORE, LET IT BE ORDERED THAT the Department of Education annual contribution for Fiscal Year 2010 shall be reduced to \$22,836,311.00.

Resolved this 10th day of June, 2010, in public session.


Richard L. Holmes
Chairman


Archer R. Rose
Secretary to Board